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VERNER, LIIPFERT, BERNHARD, MCPHERSON AND HAND ~~MAY -~~ 5 1994

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May 5, 1994

VIA HAND DELIVERY

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W. - Room 222
Washington, D.C. 20554

RE: Ex Parte Presentation: MM Docket No. 92-259

Dear Mr. Caton:

StarSight Telecast, Inc. ("StarSight"), pursuant to Section 1.1206(a)(2) of the Commission's Rules, hereby notifies the Commission that representatives of StarSight and PBS National Datacast met with Stephen Bailey, Staff Attorney, General Counsel's Office; Meryl Icove, Staff Attorney, CSB; Bill Johnson, Esq., Deputy Chief, CSB; Jim Olson, Esq., Chief, CSB's Competition Division; Merrill Spiegel, Esq., Special Assistant to Chairman Reed Hundt; Commissioner James H. Quello; Maureen O'Connell, Esq., Legal Advisor to Commissioner Quello and Daniel M. Armstrong, Esq., Associate General Counsel - Litigation Office of the General Counsel. The substance of the matters discussed is reflected in the attached summary. An original and one copy of this letter has been submitted to the Secretary.

Please direct any inquiries concerning this matter to the undersigned at (202) 371-6099.

Respectfully submitted,

VERNER, LIIPFERT, BERNHARD
MCPHERSON AND HAND

By:

Michael D. Berg
Michael D. Berg

Attachment

Service copy: Commissioner James H. Quello
(w/attachment) Stephen Bailey Meryl Icove
Bill Johnson, Esq. Jim Olson, Esq.
Merrill Spiegel, Esq. Maureen O'Connell, Esq.
Daniel M. Armstrong, Esq.

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STARSIGHT TELECAST, INC.
MAY 4, 1994

MAY - 5 1994

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What Is StarSight?

StarSight is the first interactive, on-screen television program guide, with one-button VCR recording capability. Delivered to viewers in the Vertical Blanking Interval (VBI) of television broadcast signals, Starsight provides information about programs in progress, as well as concerning all available programs over the next seven days.

When and How Will StarSight Be Available?

The service will be available to subscribers beginning in June, 1994 through the VBI's of PBS-affiliated stations. Cable transmission of StarSight as part of the retransmission of PBS signals will be technically feasible without any action, expense or modifications by cable operators. StarSight will also be made available to schools and other educational institutions free of charge to assist teachers in using "Cable in the Classroom," and to facilitate the integration of other television programming in lesson plans.

Why Is StarSight Availability in the Public Interest?

--It is an innovative, patented use of new technology.
--Its deployment is a pro-competitive, jobs-producing development.

--It is, in effect, a roadmap to the information superhighway. In a simple, low-cost, user-friendly way, it will allow consumers to navigate the multichannel world of the present and future.

--It will increase program diversity by making programming more accessible to all viewers. In addition, it will be particularly useful in facilitating the delivery and availability of closed captioned programming to the hearing impaired, to viewers needing second language programming or translation, and for educational programming.

--StarSight will empower parents to inform themselves about violent or other types of programming they may wish to screen or limit for their children, thus reducing the need for governmental intervention in this sensitive area.

Is Cable Retransmission Consistent With the Cable Act and FCC Rules?

Yes. Sections 614(b)(3)(A) and 615(g)(1) of the Cable Act of 1992 require retransmission of VBI material if technically feasible and program-related. The StarSight service is analogous to the teletext service found in WGN Continental Broadcasting to be related to the primary video signal. The WGN criteria are used by the FCC to define program-relatedness.

In addition, Congress in the Cable Act sought to promote competition in the provision of video services and innovative uses of technology accessible to the public as widely as possible. StarSight furthers these objectives. It also responds directly to Congress' expressed intent that the VBI be used for, and that cable operators retransmit "intact," all enhancements provided for the purposes of "wider access for under-served audiences" and future services such as for program information and identification.

What Concern Should the Commission Be Aware of And Address?

As StarSight prepares, in conjunction with PBS stations, to roll out its new service, some cable MSO's have indicated that they have purchased equipment to strip StarSight from the signals. These VBI channels would be left dark. Some operators have expressed a policy that they own the gateway for VBI services and will not retransmit VBI services which they do not own, even in must-carry signals, unless paid to do so. There is no cost to the operators to pass the service through; stripping does require that costs be incurred.